Government of Saskatchewan

Annual Report 1987

Saskatchewan Workmen's Compensation Board Superannuation Fund

89-06263/

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His Honour F. W. Johnson
Lieutenant Governor
Province of Saskatchewan

Sir:

I have the honour to transmit herewith the Annual Report of the Workmen's Compensation Board Superannuation Fund for the year ending December 31, 1987.

I have the honour to be, Sir

Your Obedient Servant

Grant Schmidt

Honourable Grant Schmidt
Minister in Charge
Workers' Compensation Board

To The Honourable Grant Schmidt
Minister Responsible for the
Workers' Compensation Board
Regina, Saskatchewan

Dear Mr. Schmidt:

I have the honour to submit the Annual Report of the Workmen's Compensation Board Superannuation Fund for the period January 1, 1987 to December 31, 1987 in accordance with Section 55, R.S.S. 1978, of The Workmen's Compensation Board Superannuation Act and amended by The Superannuation (Supplementary Provisions) Act.

Mrs. Ruth Elaine Carlberg, Assistant Director of Claims, with an annual salary of $46,000, superannuated at age 55 years with 35 years 155 days of service and was granted an allowance of $32,429.04 per annum effective June 11, 1987.

Mrs. Virginia McElree, Secretary to the Chairman, retired from service on June 26, 1987. Mrs. McElree was age 62 years at retirement with 43 years 220 days of service. Her final salary was $30,012 per annum and she was granted an annual pension of $23,178.96.

Mr. Lloyd MacNeill, Assistant Director of Rehabilitation, retired at age 65 years with 21 years 61 days of service. Mr MacNeill was in receipt of an annual salary of $45,907 and was granted an allowance of $14,160.84 per annum effective November 1, 1987.

Statements showing the financial standing of the Fund and the report of the Provincial Auditor are attached.

Yours truly,

Garnet Garven

Garnet Garven
Chairman

The Workmen's Compensation Board Superannuation Fund

Financial Statements

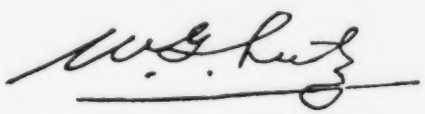
Year Ended December 31, 1987

Auditor's Report

To the Members of the Legislative Assembly of Saskatchewan

I have examined the balance sheet of The Workmen's Compensation Board Superannuation Fund as at December 31, 1987 and the statements of revenue, expenditure and fund equity, and receipts and disbursements for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1987 and the results of its operations and the changes in its financial position for the year then ended in accordance with the principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.



Regina, Saskatchewan,
March 31, 1988

W.G. Lutz, F.C.A.,
Provincial Auditor

The Workmen's Compensation Board Superannuation Fund

Balance Sheet

Statement 1

as at December 31, 1987
(with comparative figures for the previous year)

	1987	1986
Assets		
Cash and short-term deposits	$ 1,453,691	$ 315,502
Investments (Schedules 1 and 2)	9,056,122	8,765,634
Accrued interest on investments	170,583	167,194
Accounts receivable	62,416	35,657
	$10,742,812	$9,283,987
Accounts Payable and Fund Equity		
Accounts payable	$ 89	$ —
Fund equity (Statement 2) (Note 4)	10,742,723	9,283,987
	$10,742,812	$9,283,987

(See accompanying notes to the Financial Statements)

The Workmen's Compensation Board Superannuation Fund

Statement of Revenue, Expenditure and Fund Equity

Statement 2

Year Ended December 31, 1987
(with comparative figures for the previous year)

	1987	1986
Revenues:		
Contributions from the Workers' Compensation Board (Injury Fund)	$ 343,137	$ 355,290
Contributions by employees and board members	180,598	186,995
Investment earnings, bank interest and sundry income	931,281	923,269
Gain on sale of investments	359,235	4,788
Total Revenue	1,814,251	1,470,342
Expenditures:		
Superannuates' allowances	320,767	277,230
Refunds to employees leaving service:		
Contributions	26,000	24,110
Accrued Interest	8,748	10,859
Total Expenditure	355,515	312,199
Excess of revenue over expenditure for the year	1,458,736	1,158,143
Fund equity, beginning of year	9,283,987	8,125,844
Fund equity, end of year (Statement 1)	$10,742,723	$9,283,987

(See accompanying notes to the financial statements)

The Workmen's Compensation Board Superannuation Fund

Statement of Receipts and Disbursements

Year Ended December 31, 1987
(with comparative figures for the previous year)

Statement 3

	1987	1986
Receipts:		
Contributions from employees and board members	$ 175,496	$ 175,674
Contributions from Workers' Compensation Board (Injury Fund)	332,834	333,209
	508,330	508,883
Miscellaneous receipts	89	—
Interest received	908,247	917,177
Long-term investment sales and maturities	1,415,292	1,156,809
Total Receipts	2,831,958	2,582,869
Disbursements:		
Allowances paid to superannutes	320,767	279,030
Contributions refunded or transferred to other retirement plans	26,000	24,110
Interest on contributions paid out	8,748	10,859
Long-term investments purchased	1,338,188	3,062,107
Miscellaneous disbursements	66	—
Total Disbursements	1,693,769	3,376,106
Excess of receipts over disbursements (disbursements over receipts)	1,138,189	(793,237)
Cash and short-term deposits, beginning of year	315,502	1,108,739
Cash and short-term deposits, end of year	$1,453,691	$ 315,502

(See accompanying notes to the financial statements)

The Workmen's Compensation Board Superannuation Fund

Notes to Financial Statements

Year Ended December 31, 1987

1. **Significant Accounting Policies**

   a) **Investments**

   Investments are recorded in the accounts at cost. Any discount or premium is amortized over the period remaining to the maturity date of the investment. When investments are sold prior to maturity, however, any differences between the proceeds and the carrying value of the investments, including any unamortized discount or premium, are taken into revenue or expenditure in that year.

   b) **Short-term Deposits**

   Short-term deposits are valued at cost which approximates market value.

   c) **Basis of Accounting**

   The accounts are maintained on an accrual basis of accounting.

2. **Description of the Plan**

   The fund was established under The Workmen's Compensation Board Superannuation Act. The plan covers employees and board members who were enrolled at October 1, 1977 and who did not elect to transfer to the Public Employees (Government Contributory) Superannuation Plan prior to October, 1978.

3. **Administrative Costs**

   The Fund is administered by the Public Employees Benefits Agency. Accordingly no provision for administrative costs has been reflected in these financial statements.

4. **Fund Equity**

   Fund equity represents the accumulated contributions and earnings that, together with future contributions and interest earnings, will provide for payment of superannuation allowances. (Note 5).

5. **Fund Contributions**

   Member contributions are based on a percentage of salary. The Workers' Compensation Board (Injury Fund) provides contributions to the superannuation fund equal to 1.9 times the contributions made by employees and board members.

6. **Surplus**

   The most recent actuarial valuation of The Workmen's Compensation Board Superannuation Fund estimated that the plan had a surplus of $1,194,861 as at December 31, 1987. The Workers' Compensation Board is obligated to fund any deficiency in order to meet the superannuation fund's retirement benefits and refund requirements.

The Workmen's Compensation Board Superannuation Fund

Statement Of Investments

as at December 31, 1987
(with comparative figures for the previous year)

Schedule 1

	1987	1986
Investments:		
Bonds and Debentures:		
Province of Saskatchewan	**$1,228,132**	$1,523,825
Guaranteed by other provinces	**503,584**	497,837
Municipals	**438,666**	437,935
Corporates	**3,860,071**	3,858,460
	6,030,453	6,318,057
Mortgages:		
Metropolitan Trust Company of Canada (Formerly Morguard Trust Company)	**503,607**	511,921
Equities:	**2,522,062**	1,935,656
Total Investments (Schedule 2)	**$9,056,122**	$8,765,634
Investments at par value	**$9,198,767**	$8,974,829
Unamortized discounts	**$ 142,645**	$ 209,195

Investments had a quoted market value of $9,365,914 on December 31, 1987 (1986 - $9,694,339).

The Workmen's Compensation Board Superannuation Fund

Statement Of Investment Transactions
Year Ended December 31, 1987

Schedule 2

Investments, beginning of year	**$8,765,634**
Add:	
Investments purchased:	
Bonds and debentures:	
7¼% Alberta Energy Corp., September 30, 2003	250,000
11% Canadian Oil Debco, October 31, 2000	250,000
10% Domtar, April 15, 2011	249,375
10% Loblaw Companies, December 19, 1991	103,250
	852,625
Equities:	
15,948 Shares, Bank of Montreal	542,232
2,000 Shares, BP Canada	36,625
1,500 Shares, CM NT Equity	12,937
3,000 Shares, Dome Mines	36,000
25,000 Shares, Enerplus Resources Corp.	250,000
7,500 Shares, Laidlaw Transportation	150,000
4,255 Shares, Placer Dome Corp.	56,000
7,500 Shares, Royal Bank	250,313
	1,334,107
Amortization of discounts, net of premiums	**16,386**
Total Additions	**2,203,118**
Deduct:	
Investments sold:	
Bonds and Debentures:	
9¼% Saskatchewan, October 2, 1987	300,000
11¾% Bank of Montreal, September 8, 1991	542,265
12½% Loblaw Companies, December 15, 1990	106,600
13¼% Norcen Energy Resources, December 20, 2003	11,000
12% Producers Pipelines, June 30, 1995	20,370
11¼% Royal Bank, December 9, 1991	247,261
12¾% Simpson Sears, June 15, 2000	16,000
13.15% Toronto Dominion Centre, September 15, 2003	12,000
12¼% Westcoast Transmission, July 15, 2000	20,000
	1,275,496
Equities:	
8,800 Shares, Belkin Packaging	179,872
1,000 Shares, Campbell Red Lake Mines	20,000
3,000 Shares, Dome Mines	36,000
13,000 Shares, Moore Corp	399,360
7,500 Shares, Royal Bank	269,250
400 Shares, Teck Corp.	81,720
1,000 Warrants Transcanada Pipelines	2,070
	988,272
Investment principal matured	**8,097**
Gain on sale of investments	**(359,235)**
Total Deductions	**1,912,630**
Investments, end of year (Schedule 1)	**$9,056,122**